

TAX COMMISSION AMENDMENTS

2017 GENERAL SESSION

STATE OF UTAH

LONG TITLE

General Description:

This bill amends provisions relating to closed meetings held by the State Tax Commission.

Highlighted Provisions:

This bill:

- ▶ defines terms; and
- ▶ authorizes the State Tax Commission to hold a meeting that is not open to the public to provide guidance to its employees on the interpretation and application of the tax laws of the state following action by the commission in a public meeting or issuance of a commission or court decision.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

59-1-405, as enacted by Laws of Utah 2011, Chapter 215

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **59-1-405** is amended to read:

59-1-405. Commission consideration of confidential tax matters.

- (1) As used in this section, "confidential tax matter" means:
- (a) an offer in compromise;
 - (b) a private letter ruling;
 - (c) an appeal before the members of the commission;
 - (d) a tax matter if the disclosure of the tax matter is prohibited under:
 - (i) federal law;

33 (ii) Section 59-1-403; or
34 (iii) Section 59-1-404;
35 (e) a voluntary disclosure agreement; [~~or~~]
36 (f) a waiver request[-]; or
37 (g) provision of guidance by the commission to an employee of the commission on the
38 interpretation and application of the tax laws of the state following:

39 (i) a commission action taken in a public meeting; or
40 (ii) a commission or court decision that interprets a tax law of the state.

41 (2) (a) Notwithstanding Title 52, Chapter 4, Open and Public Meetings Act, the
42 commission may hold a meeting that is not open to the public to conduct a hearing on, discuss,
43 or take action on a confidential tax matter in accordance with the rules established as provided
44 under this section.

45 (b) When the commission holds a meeting described in Subsection (2)(a) on a
46 confidential tax matter described in Subsection (1)(g), the meeting:

47 (i) shall include:
48 (A) the commission's executive director; or
49 (B) the executive director's designee; and
50 (ii) may include any other commission employee as determined by the commission.

51 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
52 commission shall make rules:

53 (a) to establish procedures for holding a meeting that is not open to the public to
54 conduct a hearing on, discuss, or take action on a confidential tax matter; and

55 (b) except as provided in Subsection (4), to establish procedures and requirements for
56 keeping confidential minutes and a confidential recording of a meeting that is not open to the
57 public.

58 (4) For purposes of Subsection (3)(b), the commission is not required to make rules to
59 establish procedures and requirements for keeping confidential minutes and a confidential
60 recording of:

61 (a) an initial hearing to the extent provided in Section 59-1-502.5; or
62 (b) private analysis, contemplation, and discussion by members of the commission:
63 (i) in performing the judicial aspects of their duties; and

64 (ii) consistent with state case law.